

USAID/Guatemala

Operational Plan

FY 2006

June 15, 2006

Please Note:

The attached RESULTS INFORMATION is from the FY 2006 Operational Plan and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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Program Performance Summary FY 2005: The early part of the year was characterized by serious and intense debates over the Central America and Dominican Republic Free Trade Agreement (CAFTA-DR) within the Guatemalan government and among key stakeholders. In March 2005, the Guatemalan Congress ratified CAFTA-DR by a large majority, demonstrating its recognition of the importance of rules-based free trade for Guatemala's economic growth. The CAFTA ratification augurs well for Guatemala, brightening its prospects for the future. The current challenge is to implement the trade agreement effectively while meeting the agreement's conditions, and thereby fulfill the promise of trade-related benefits reaching a broader segment of the population rather than a narrower one. USAID is already helping Guatemala to meet this challenge.

The second major challenge for Guatemala is achieving eligibility for the Millennium Challenge Account (MCA) under the Lower-Middle Income Country category. Under President Berger, Guatemala has clearly made strides toward improved performance in the three MCA categories, often with the help of targeted USAID support. There has been a turn-around on corruption and progress on rule of law. From the early "Vamos Guatemala" strategy to the more recent ten-year "Competitiveness Agenda," the Government of Guatemala (GoG) has firmly committed to socio-economic programs along the lines of MCA goals. Despite significant progress, Guatemala must sustain its democratic gains, expand and diversify its economy, and address some of the most dismal health indicators in the region. Clearly, Guatemala cannot be left behind. It already receives the lowest per capita U.S. aid levels in Central America and the others have signed or are poised to sign MCA compacts, making the differences in assistance greater.

Finally, while Hurricane Stan occurred in early October, immediately after the close of FY 2005, it needs to be noted briefly in this year's report. The storm, with damage officially estimated at around \$1 billion and mostly affecting marginal, indigenous communities, was a blow to recent progress in the GOG's development plan, including ambitious efforts to turn around the long-stagnant rural economy.

FY 2005 marked the end of health, education and environment programs under the previous country strategy. USAID also concluded this year its \$125 million program of support for the Peace Accords, an agreement that brought to an end the 36-year internal conflict that mostly affected indigenous peoples in the highlands of Guatemala. Having completed the second year of implementation under the current regional Central America and Mexico (CAM) strategy, USAID is now reaping significant results across its program. These early results align with the twin goals of implementing CAFTA and assisting Guatemala with MCA eligibility.

Our rule of law, anti-corruption, and local governance programs respond directly to the most important threats to Guatemalan democracy--security and crime, corruption, and political exclusion. Strong GOG support in all three areas has been critical to success and USAID has established excellent working relationships with senior-most GOG officials. The Congress passed the long-awaited Peace Accords Framework Law that establishes the norms for the design, implementation, and monitoring of State actions for the fulfillment of Peace Accords commitments. USAID's Rule of Law Program has capitalized on dramatically increased support for judicial reforms, especially oral pre-trial hearings. USAID expects to reduce by 5% a year the number of days to disposition from the moment a case enters the judicial system to the time a sentence is issued. The GOG agreed to assume full financial responsibility for the management of 15 Justice Centers outside the capital that were originally created and financed by USAID.

Among governments in the region, the GOG stands out for responding to gang violence by emphasizing prevention as its primary strategy, as opposed to the purely law enforcement or "strong hand" approach that has had mixed results in neighboring countries. USAID supported the establishment and operation of five crime prevention councils. USAID and the Narcotics Affairs Section (NAS) are coordinating in an integrated program of community and police anti-crime efforts in the suburb of Villa Nueva (the size of a major U.S. city). The integrated program is anticipated to become a model for addressing crime in other communities. With private sector support, USAID helped provide alternatives to gangs through youth training and job placement.

USAID's multi-country Anti-Corruption and Transparency Program has responded to GOG requests to advance transparency and governance and improve Guatemala's chances for MCA eligibility. The GOG has asked USAID to support its hosting of the 2006 worldwide Transparency International Conference and the design of a transparency plan, including civil society oversight, for post-Stan reconstruction activities. Using policy dialogue and our well-established working relationships, all three branches of government have agreed to bolster GOG efforts toward more transparent management of public affairs and resources. A few examples of such commitment are: issuance of a Freedom of Information Executive Decree; Congressional ratification of the United Nations Convention against Corruption; public accounting of use of government resources by the Minister of Government; and verification by the Office of the Comptroller General of public officials' declaration of income, assets and liabilities. The GOG has taken steps to involve civil society organizations in the oversight of government actions and USAID supported an important social auditing program to make more transparent the process of medicine purchases for the Guatemalan Social Security Institute.

Our Decentralization and Local Governance Program successfully negotiated 17 agreements with municipalities and municipal associations (the target was only 10). USAID secured support for the approval of a Municipal Tax Code, a reform that will enhance the capacity of municipalities to collect their own revenues. The Code is now on the agenda of the Congress and the Ministry of Finance, as well as the Donors Table on Decentralization.

CAFTA-DR's ratification by the U.S. Congress and the Central American congresses (pending Costa Rica) made this a watershed year for Guatemala's future economic development. The Berger Administration's Vamos Guatemala plan is built around the objective of strengthening competitiveness—which is key to reaping the benefits of the CAFTA-DR trade pact. The government's National Competitiveness Program (PRONACOM) undertook an extensive dialogue with diverse stakeholders to focus its program and prepare a national competitiveness agenda. The GOG formed a special Rural Development Cabinet to prepare an integrated rural development policy that has already resulted in the implementation of new laws and policies to support more equitable rural development. The Ministry of Agriculture launched a new, cornerstone approach to agricultural development called "GuatInvest," which is private sector-oriented and adapted from our Development Credit Authority (DCA) model of channeling loans to rural enterprises through commercial banks, using partial loan guaranties from the GOG.

None of these government achievements would have been possible without USAID support, which was actively sought by the GOG. Through our various USAID activities in the economic growth sector, more than 20,000 Guatemalans received training or other exposure to information about CAFTA and its benefits during 2005. The re-launching of PRONACOM under the Berger Administration and its institutionalization as a government entity happened with USAID assistance. The elaboration of the government's rural development policy and its associated laws and policies was the direct result of our support to the Rural Development Cabinet. "GuatInvest" was created with assistance and approval from the Mission to convert a USAID trust fund containing \$13 million into a credit subsidy for this new GOG guaranty fund.

Our performance in this sector in FY2005 went beyond the impressive results in public policy for trade and investment. As important or more so, the program helped to create 10,000 new jobs (more than double the number planned) and generated more than \$16 million dollars in additional sales in non-traditional agriculture and tourism. Through the Association of Exporters of Non-Traditional Products (AGEXPRONT), USAID integrated more Guatemalan businesses into international supply chains in agriculture, tourism, and forest products. The program strengthened the competitiveness and management of the community forest concessions in the Peten and prevented forest fires in the Mayan Biosphere Reserve. Sales of certified timber through "FORESCOM," a USAID-supported forest enterprise in the Petén, grew by an impressive 43 percent from 2004 levels. USAID also sponsored a "business plan competition" organized by the US-PVO Technoserve to strengthen the sustainability of new enterprises in agriculture, tourism, and forestry. Through a \$20 million DCA guaranty agreement, USAID supported one of Guatemala's leading commercial banks, Bancafé. This guaranty was fully utilized in 2005 and the bank has made almost six times the number of microfinance loans anticipated

during the last year. Their experience with this guaranty has led the bank to incorporate microfinance as a core and growing part of its business in Guatemala, thus benefiting more micro-entrepreneurs.

The Strategic Objective level indicator for Guatemala--its ranking in the World Economic Forum's Growth Competitiveness Index--declined from the 77th percentile in 2004 to the 83rd percentile (lower is better) in 2005 although the reasons for this are unclear. However, it is the third-best ranking among Central American countries and still places Guatemala in a better competitive position than it was in 2003.

FY 2005 was a benchmark year for our social sector programs. Programs under our previous strategy ended, and despite formidable social sector challenges, performance of our new programs in FY 2005 was substantial. Actual indicators were slightly under target but we did have resounding success in policy dialogue in both sectors. Our programs have been instrumental in promoting information and analysis-based decision making, enhancing transparency and accountability and the use of information technology, and increasing GOG social investments. The principal explanation for not fully meeting the education targets is that 2005 represented a transition year between USAID programs. The FY 2005 data represents the 2004 school year, and it was not until 2005 that USAID began to shift its efforts from a primarily a single department, intercultural bilingual education program focused on the lower primary grades to a national-level education policy reform program.

While targets were not fully met, a positive trend in the primary school completion rate has continued. Net primary school enrollment was 92% in 2004, due largely to the increased coverage of schooling in rural areas (compared to 72% in 1991 and 87.5% in 2002). Public expenditures for education and health as a percentage of GDP are below target but there are strong, encouraging signs of improvement. The current Minister of Education led the development of a long-term vision for the sector through a participatory, multi-sector process. The resulting "Vision for Education" sets GOG targets through 2008, such as 100% primary school coverage for girls and boys, reduction of illiteracy to 22%, and revitalization of intercultural bilingual education. Guatemala's business elite is increasingly committed to long-term systematic improvement of the education sector and is matching government and donor resources with its own contributions. The current administration is strongly committed to increasing resources for the social sector and President Berger pledged to support reforms in education and health by increasing the budget by 46% and 30%, respectively, between 2005 and 2008.

The Education Standards program contributed significantly to developing MOE commitment and capacity for data-based decision making and performance-based accountability. USAID helped the MOE evaluate 36,667 teachers who were applying for 3,000 vacancies in the public education system in mathematics and language, including 6,196 in one of eight Mayan languages. USAID's education program aligns with the Presidential Initiative, Centers of Excellence for Teacher Training (CETT), which is implemented in Guatemala by Del Valle University (UVG). The Mission provided \$100,000 in addition to CETT funds and in 2005, provided 660 school libraries through a partnership with Scholastic Books. Each library contains 105 popular children's titles, thus helping students increase their reading skills and love for books.

Immunization coverage scored excellent results with 94% immunized in 2004. The Guatemalan Ministry of Health (MOH) adopted USAID's child survival and nutrition strategies at the national level, resulting in direct benefits to approximately 3.6 million children under age five and women of reproductive age. All family planning targets in 2005--couple years protection and new users-- were exceeded, continuing the program's outstanding performance and increasing the sustainability of public and private sector programs. The GOG, through the MOH, demonstrated its commitment to family planning by continuing to be the major provider of family planning services.

Working through the MOH, MOE, and non-governmental organizations, USAID had tremendous success in building strategic alliances with non-traditional partners to harness complementary resources. USAID's public-private alliances (GDA) is the business model for this SO's "Alliances" activity which leverages USAID funds with private sector resources for increased investment in education, health and nutrition. In its first year of activities, Alliances forged 11 partnerships with the corporate sector and raised \$3.3 million in cash and \$395,000 in in-kind contributions.

Guatemala faces specific challenges that can be addressed most effectively through a cross-cutting approach, rather than through sector programs. Thus, the Mission has purposefully addressed these three themes-transparency, food security, and youth and indigenous leadership-across its portfolio. In the area of transparency, at the GOG's request, USAID/Guatemala has funded 14 intensive institutional assessments of GOG entities that together manage approximately 70% of Guatemala's operational budget. Each assessed organization has developed an action plan to address the weaknesses identified and introduce needed procedures and internal controls. In our education program, use of technical qualifications for the first time as a key criterion in the 2005 hiring of teachers broke the arbitrary recruitment and hiring process.

USAID's P.L. 480 Title II programs form the primary basis for outreach to the rural poor under our economic growth and health programs. In FY 2005, Guatemala received 24,680 metric tons (MT) of Title II commodities, and 15,090 MT of these were monetized. The monetized food assistance supports a series of income generation and maternal/child health interventions that enhance food security while improving the family's livelihoods and health. USAID's Health team has also worked closely with all Title II partners, and in coordination with the MOH, provided health and nutrition services to 25,889 families; growth monitoring, immunization and preventative health services to 35,843 children under the age of three; and pre- and post-natal care to 3,108 pregnant and lactating mothers.

To address the need for youth and indigenous leadership in Guatemala, the Mission has pooled resources across its SOs to fund 210 higher education scholarships, with leveraged funding from the private sector. All academic scholarships will be accompanied by leadership and professional development support activities (e.g., English, entrepreneurial skills). Under our health program, Mayan nurses' aides are being trained as skilled birth-attendants and will subsequently be placed by the MOH to provide service in predominantly indigenous parts of the country.

Gender considerations are intrinsic to the success of USAID's portfolio and following are a few examples of how we address them. Under our Democracy SO, we are supporting activities to assist the Special Prosecutor's Office of Crimes against Women and the Domestic Violence Commissions of the USAID-supported Justice Centers. We financed the participation of GOG and NGO leaders in the 2005 Global Summit of Women and follow-on meetings with Guatemala's First Lady resulted in an initiative called "GUATEMUJER--Opening the Path of Development to Women." This initiative provides income-generating opportunities and local governance training for women. In our community-based tourism activities, meetings and workshops are planned around the family and work schedules of Q'eqchi' Maya women. In Petén, particularly in the forest concessions, USAID promoted the revision of community by-laws to require that women also be considered for important board of director positions. In education, USAID supports GOG's priority of enhancing girls' gross primary school completion. This rate improved from 59.6% in 2003 to 61.7% in 2004.

FY 2006 Program**SO: 520-021 Ruling Justly: More Responsive, Transparent Governance****Promote And Support Anti-Corruption Reforms**

Promote and Support Anti-Corruption Reforms (\$693,000 DA, \$817,000 ESF). USAID provides technical assistance and training to key state institutions and provides grants to selected non-governmental organizations that work on anticorruption issues. The assistance focuses on the development of a national anticorruption agenda, compliance with the Inter-American Convention Against Corruption, social auditing, access to information, financing of political parties, and developing stronger oversight agencies. USAID also works with civil society and the GOG to make the Hurricane Stan reconstruction transparent and provide oversight in the GOG's assessments of public institutions. Principal contractor: Casals and Associates.

Promote and Support Credible Elections Processes

Promote and Support Credible Elections Processes (\$396,000 ESF). USAID funds auditing of the voter registry, development of an implementation plan for the expansion of the voting centers to rural areas, and implementation of the domiciliary vote which will facilitate access to voting centers. Principal grantee: Organization of American States.

Promote Effective and Democratic Governance of the Security Sector

Promote Effective and Democratic Governance of the Security Sector (\$411,000 ESF). USAID advises and assists local police in implementing community-based policing approaches related to crime prevention, including collection and analysis of crime statistics, improving the nature and timeliness of response, and developing community relationships in targeted jurisdictions. Technical assistance is provided to the Ministry of Government to introduce community-based policing approaches as a matter of national policy. Implementer to be determined through a competitive process.

Protect Human Rights

Protect Human Rights (\$79,000 ESF). USAID provides assistance to the Human Rights Ombudsman and the Public Defense Institute to allow them to better monitor and report due process violations in criminal procedures. Principal Contractor: Checchi and Company Consulting, Inc.

Strengthen the Justice Sector

Strengthen the Justice Sector (\$1,812,000 ESF). USAID promotes efficiency and transparency in judicial procedures through increased use of oral arguments in pre-trial stages of proceedings. USAID provides technical assistance to improve management, monitoring and disciplinary systems, and institutionalize professional career structures in justice institutions. Technical assistance is provided to make prosecution more effective and to design a First Instance Night Court and Trial Court model. USAID also implements local crime prevention strategies and improvements in the Judiciary's performance monitoring systems. Contractor: Checchi and Company Consulting, Inc.

Support Democratic Local Government & Decentralization

Support Democratic Local Government and Decentralization (\$792,000 DA, \$841,000 ESF). The program provides technical assistance for the implementation of national decentralization policy and to make social investments more efficient. USAID works with 15 municipalities to improve provision of basic

services, generate increased revenues, and put in place sound financial management/audit systems. USAID provides technical assistance on indebtedness and intra-governmental transfers to GOG agencies and promotes participation of local actors in public policy formulation. USAID also provides technical assistance for post-Hurricane Stan municipal reconstruction. USAID also conducts a Democratic Indicators Monitoring Survey (DIMS). Principal contractor: Devtech Systems and others to be determined through a competitive process.

Support Populations at Risk

Support Populations at Risk (\$99,000 ESF). USAID, in alliance with many other partners, continues to prevent crime through activities focused on vulnerable and at-risk youth and ex-gang members, including creation of new jobs and training. USAID provides technical assistance for improved recreational opportunities, reduced domestic violence and supervised rehabilitation. Implementer to be determined through a competitive process.

FY 2007 Program

SO: 520-021 Ruling Justly: More Responsive, Transparent Governance

Promote And Support Anti-Corruption Reforms

Promote and Support Anti-Corruption Reforms (\$1,241,000 DA, \$100,000 ESF). USAID will continue promoting transparency and accountability in the country. Principal contractor: Casals and Associates.

Promote and Support Credible Elections Processes

Promote and Support Credible Elections Processes (\$100,000 DA). USAID will provide assistance to the Supreme Electoral Tribunal for the implementation of the 2007 General Elections with emphasis on expansion of the voting centers to rural areas and implementation of the at home voting. USAID will also provide funding for electoral observation, public awareness, electoral forums and debates, monitoring of public expenditures during the campaign, and social auditing.

Promote Effective and Democratic Governance of the Security Sector

Promote Effective and Democratic Governance of the Security Sector (\$800,000 ESF). USAID will continue to implement community-based policing activities at the local and national levels. Implementers for activities funded by ESF resources will be selected by an interagency committee.

Protect Human Rights

Protect Human Rights (\$80,000 ESF). USAID will provide technical assistance to the Human Rights Ombudsman and the Public Defense Institute to improve respect for due process. Principal contractor: Checchi and Company Consulting, Inc.

Strengthen the Justice Sector

Strengthen the Justice Sector (\$1,770,000 ESF). USAID will implement crime prevention activities, case analysis for effective prosecution and statistical systems. USAID may provide funding for local mediation of land disputes. Principal contractor: Checchi and Company Consulting, Inc.

Support Democratic Local Government & Decentralization

Support Democratic Local Government and Decentralization (\$1,200,000 DA). USAID will continue to support implementation of decentralization policy and regulations and municipal financial systems. USAID will enhance effective participation in local level processes and foster coordination among key organizations with regard to municipal budgeting and spending. Principal contractor: Devtech Systems.

Support Populations at Risk

Support Populations at Risk (\$550,000 DA, \$250,000 ESF). USAID will expand educational, productive and recreational opportunities for at-risk youth, implement activities to reduce domestic violence, and promote supervised rehabilitation. Implementers for activities funded by ESF resources will be selected by an interagency committee.

FY 2006 Program

SO: 520-022 Economic Freedom: Open, Diversified, Expanding Economies

Improve Economic Policy and the Business Environment

Improve Economic Policy and the Business Environment (\$891,000 DA). USAID funds trade and business climate short-term technical assistance to create or reform laws, regulations, and policies necessary to implement the Central America and Dominican Republic Free Trade Agreement (CAFTA-DR), improve trade facilitation to help Guatemalan companies compete in global markets and increase exports; improve the business climate to attract greater foreign investment and lower the costs of doing business; and preserve and value Guatemala's natural and cultural resources. Principal contractors: Abt Associates, Inc. and its subcontractors: the Academy for Educational Development (AED), Carana Corporation, The Services Group, and Counterpart International.

Improve Private Sector Competitiveness

Improve Private Sector Competitiveness (\$1,478,000 DA). USAID will provide business development services to small and medium-scale rural enterprises in agriculture and agribusiness, tourism, and certified sustainable forest products to help them increase sales and employment, improve product quality, and integrate into regional and global supply chains. The program will also support the Missions efforts to support populations at risk under the Ruling Justly strategic objective and make rural at-risk youth aware of newly created employment opportunities in growing private rural enterprises. A portion of the services will be directed to enterprises damaged during Hurricane Stan to help them recover production processes, assets, and markets. Implementer to be determined through a competitive process.

Improve Sustainable Management Of Natural Resources & Biodiversity

Improve Sustainable Management of Natural Resources and Biodiversity (\$1,188,000 DA). USAID will make available business development services to small and medium-scale rural enterprises in forest products in the Mayan Biosphere Reserve and other forest areas to help increase the production and sale of certified sustainable forest products and conserve and monitor Guatemala's biodiversity. Grantees will help commercialize community forest concessions and other forest management efforts as sustainable business enterprises, build their capacity in marketing, maintain product certifications, monitor impacts on biological diversity, comply with market standards, and increase the value of products to the communities. Implementer to be determined through a competitive process.

Protect and Increase Food Security of Vulnerable Populations

Protect and Increase Food Security of Vulnerable Populations. USAID supports the following cooperating sponsors to increase availability of food and income for rural families through improved production and marketing activities. Under the Food for Peace program, CARE trains 4,000 farm families in soil management and conservation practices on 480 hectares of land. An additional 4,500 families will participate in the SHARE program's increased family income program. The non-governmental organization, Save the Children, assists 1,746 people in agriculture and livelihood activities. Catholic Relief Services supports 8,954 small farmers in agriculture activities to improve productivity.

Strengthen The Financial Services Sector & Increase Access to Capital

Strengthen the Financial Services Sector and Increase Access to Capital (\$400,000 DA). USAID uses up to \$400,000 in development credit authority funding to support Guatemalan commercial banks and credit cooperatives to encourage broaden market access to small and medium enterprises in the sectors of tourism, agro-industry, or forestry.

FY 2007 Program

SO: 520-022 Economic Freedom: Open, Diversified, Expanding Economies

Improve Economic Policy and the Business Environment

Improve Economic Policy and the Business Environment (\$2,500,000 ESF). USAID will make available trade and business climate experts to provide short-term technical assistance to create or reform laws, regulations, and policies necessary to implement CAFTA-DR, improve trade facilitation; improve the business climate to attract greater foreign investment and lower the costs of doing business; and preserve and value Guatemala's natural and cultural resources. Same partners as above.

Improve Private Sector Competitiveness

Improve Private Sector Competitiveness (\$3,500,000 ESF). USAID will offer business development services to small and medium rural enterprises in agriculture and agri-business, tourism, and certified sustainable forest products to help them increase sales and employment, improve product quality, and integrate into regional and global supply chains. The program will also work with the Missions efforts to support populations at-risk under the Ruling Justly SO to make rural at-risk youth aware of newly created employment opportunities in growing private rural enterprises. A portion of the services will be directed to enterprises damaged during Hurricane Stan to help them recover. Implementers for activities funded by ESF resources will be selected by an interagency committee.

Improve Sustainable Management Of Natural Resources & Biodiversity

Improve Sustainable Management of Natural Resources and Biodiversity (\$890,000 DA, \$1,500,000 ESF). USAID grantees will provide business development services to small and medium rural enterprises in forest products in the Maya Biosphere Reserve and other forest areas to increase production and sales of certified sustainable forest products and conserve monitor Guatemala's important biodiversity. Grantees will help commercialize community forest concessions and other forest management efforts as sustainable business enterprises, build capacity in timber and non-timber marketing, maintain product certifications, monitor activity impacts on biological diversity and increase the value-added to products that accrues to communities. Implementers for activities funded by ESF resources will be selected by an interagency committee.

Increase Agricultural Sector Productivity

Increase Agricultural Sector Productivity (\$2,500,000 ESF). USAID will provide technical assistance and

training support to the Government of Guatemala to implement rural development policy reforms, expand community-based approaches to land conflict resolution, improve agricultural research and outreach, and strengthen agricultural technology innovation and transfer. Implementers for activities funded by ESF resources will be selected by an interagency committee.

Protect and Increase Food Security of Vulnerable Populations

Protect and Increase Food Security of Vulnerable Populations. USAID will support cooperating sponsors to increase availability of food and income for rural families through improved production and marketing activities.

FY 2006 Program

SO: 520-023 Investing in People: Healthier, Better-Educated People

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$4,032,000 DA). USAID assists the MOE to develop a multi-year education investment plan with more equitable and efficient resource allocation. USAID supports the MOE's reforms to increase accountability and quality of education through the development of national educational standards, evaluation and research, and training delivery systems. USAID leverages funding through a public-private alliance scholarship program to provide training for primary and secondary teachers. Principal contractors: Academy for Educational Development and Juarez and Associates, Research Triangle Institute (RTI).

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health and Nutrition (\$1,742,000 CSH, \$50,000 DA). USAID enhances the capacity of MOH and its systems through: training on child growth monitoring and teaching mothers better health practices; printing and distributing child health and nutrition education materials; providing equipment and supplies; increasing basic health care coverage; ensuring access to clean water; and strengthening sanitation practices, preventing disease, and improving health management. P.L. 480 Title II assistance provides food to help families maintain adequate nutritional status. USAID also provides scholarships for professional midwife training and in collaboration with other donors, undertake the planning for and design of the next Demographic, Health and Nutrition Survey. Principal contractors: University Research Corporation (URC), RTI, Abt Associates, United Nations Development Program (UNDP), CARE, SHARE, Catholic Relief Services, Save the Children, and Curamericas.

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$2,553,000 CSH). USAID provides financial and technical assistance to health centers to implement culturally-appropriate services. Other activities include promoting behavior change activities to ensure proactive community participation to detect and refer obstetric emergencies; a national media campaign to prevent disabilities resulting from malnutrition in gestating mothers; and cancer prevention activities for low income women. Principal contractors: URC, RTI, and UNDP.

Increase Capacity of Higher Education to Contribute to Development

Increase Capacity of Higher Education to Contribute to Development (\$175,000 DA). USAID co-funds higher education scholarships for at-risk youth and indigenous leadership with the private sector at a 1:2 leveraging ratio. A university student loan program is being launched using Development Credit Authority funds. Principal contractors: RTI and local banks to be determined.

Protect and Increase Food Security of Vulnerable Populations

Protect and Increase Food Security of Vulnerable Populations. USAID supports P.L. 480 Title II activities to increase food availability for rural families.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact Of HIV/AIDS (\$1,287,000 CSH). USAID's programs assist the MOH in extending services for people with sexually transmitted infections and in need of voluntary counseling and testing. Principal contractors: URC and RTI.

Support Family Planning

Support Family Planning (\$6,458,000 CSH). Working with the MOH, USAID improves the quality and coverage of health care services and contraceptive security through training, printing and distribution of information, education, and communication materials; USAID also enhances the sustainability of a large scale family welfare association; and strengthens the capacity of local non-governmental organizations in women's health advocacy and monitoring of social development law implementation. USAID is continuing the planned phase-out of contraceptive donations to MOH-supported groups. Principal contractors: URC, Family Welfare Association, and Futures Group.

FY 2007 Program

SO: 520-023 Investing in People: Healthier, Better-Educated People

Achieve Equitable Access to Quality Basic Education

Achieve Equitable Access to Quality Basic Education (\$3,534,000 DA). USAID will support policy dialogue and advocacy, development of MOE educational standards, assessments, and training system.

Improve Child Survival, Health & Nutrition

Improve Child Survival, Health and Nutrition (\$1,139,000 CSH). USAID will work to collect data for the Demographic, Health and Nutrition Survey; provide technical assistance and training to the MOH, and support the GOG's "War on Hunger" through educational campaigns.

Improve Maternal Health & Nutrition

Improve Maternal Health and Nutrition (\$3,303,000 CSH). USAID will assist health centers to provide quality and culturally-appropriate services. USAID will also support behavior change activities to ensure proactive community participation in detecting and referring obstetric emergencies.

Protect and Increase Food Security of Vulnerable Populations

Protect and Increase Food Security of Vulnerable Populations. USAID will continue supporting P.L. 480 Title II activities to increase food availability for rural families.

Reduce Transmission & Impact Of HIV/AIDS

Reduce Transmission and Impact Of HIV/AIDS (\$1,287,000 CSH). USAID will continue to provide financial and technical assistance to health centers to implement culturally-appropriate services.

Support Family Planning

Support Family Planning (\$5,109,000 CSH). USAID will provide technical assistance, training, educational materials and equipment to increase access to reproductive health care in MOH-affiliated non-governmental organizations and family welfare groups. The program will assist local groups to advocate for women's health issues. Same partners as above.

Results Framework

520-002 Better Educated Rural Society

Program Title: Better Educated Rural Society

- 1: Quiché children have increased access to primary intercultural and bilingual education
- 2: Rural communities in the Zonapaz have greater access to educational services
- 3: Education strategies and policies that enhance gender equity and cultural pluralism are implemented

520-003 Better Health for Women and Children

Program Title: Better Health for Women and Children

- 1: More rural families use quality MCH services and better household practices
- 2: Public health programs are well managed
- 3: Stronger Guatemalan commitment to integrated women's health

520-004 Increased Rural Household Income and Food Security

Program Title: Increased Rural Incomes

- 1: More Small Farmers Engaged in Higher Value Production and Marketing
- 2: More Microentrepreneurs Expanding their Business
- 3: Market Towns Stimulating Economic Growth
- 4: Improved Family Nutrition

520-005 Improved Natural Resources Management and Conservation of Biodiversity

Program Title: Natural Resource Management

- 1: Improved resource management in selected bioregions
- 2: Improved environmental policies applied
- 3: More responsive and effective institutions

520-006 Support the Implementation of the Priority Peace Accords

Program Title: Support the Implementation of the Peace Accords

- 1: National reconciliation process advanced through Historical Clarification Commission Report follow up
- 2: Capacity of indigenous communities developed for broader participation in political, economic and social arenas
- 3: Access to factors of production in ex-conflictive areas broadened
- 4: Key state institutions and policies reformed to sustain the Peace Process

520-021 Ruling Justly: More Responsive, Transparent Governance

Program Title: Ruling Justly

- 1: Strengthened Rule of Law
- 2: Greater Transparency and Accountability of Governments

520-022 Economic Freedom: Open, Diversified, Expanding Economies

Program Title: Economic Freedom

- 1: Laws, Policies and Regulations that Promote Trade and Investment
- 2: More Competitive, Market-Oriented, Private Enterprises
- 3: Broader Access to Financial Markets and Services

520-023 Investing in People: Healthier, Better-Educated People

Program Title: Investing in People

- 1: Increased and Improved Social Sector Investments
- 3: Increased use of quality maternal-child and reproductive health services